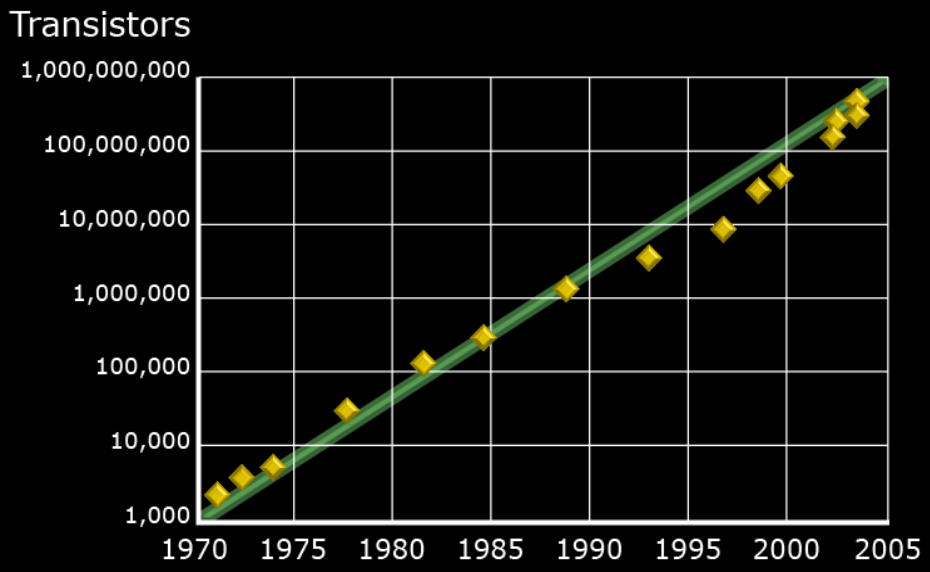
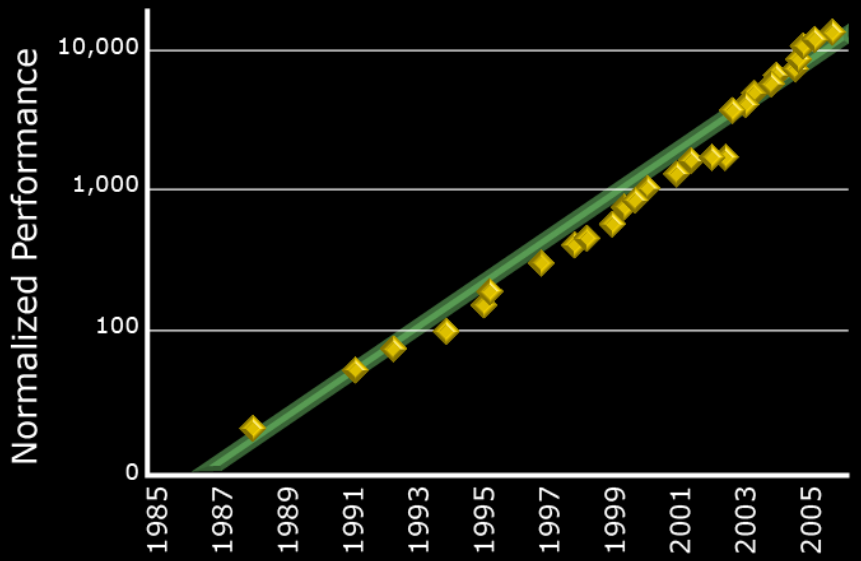


More than Moore:
Industry Innovation at the Crossroads

Dirk Meyer
President and Chief Operating Officer
Advanced Micro Devices

The All Consuming Quest for Greater Performance at Lower Cost

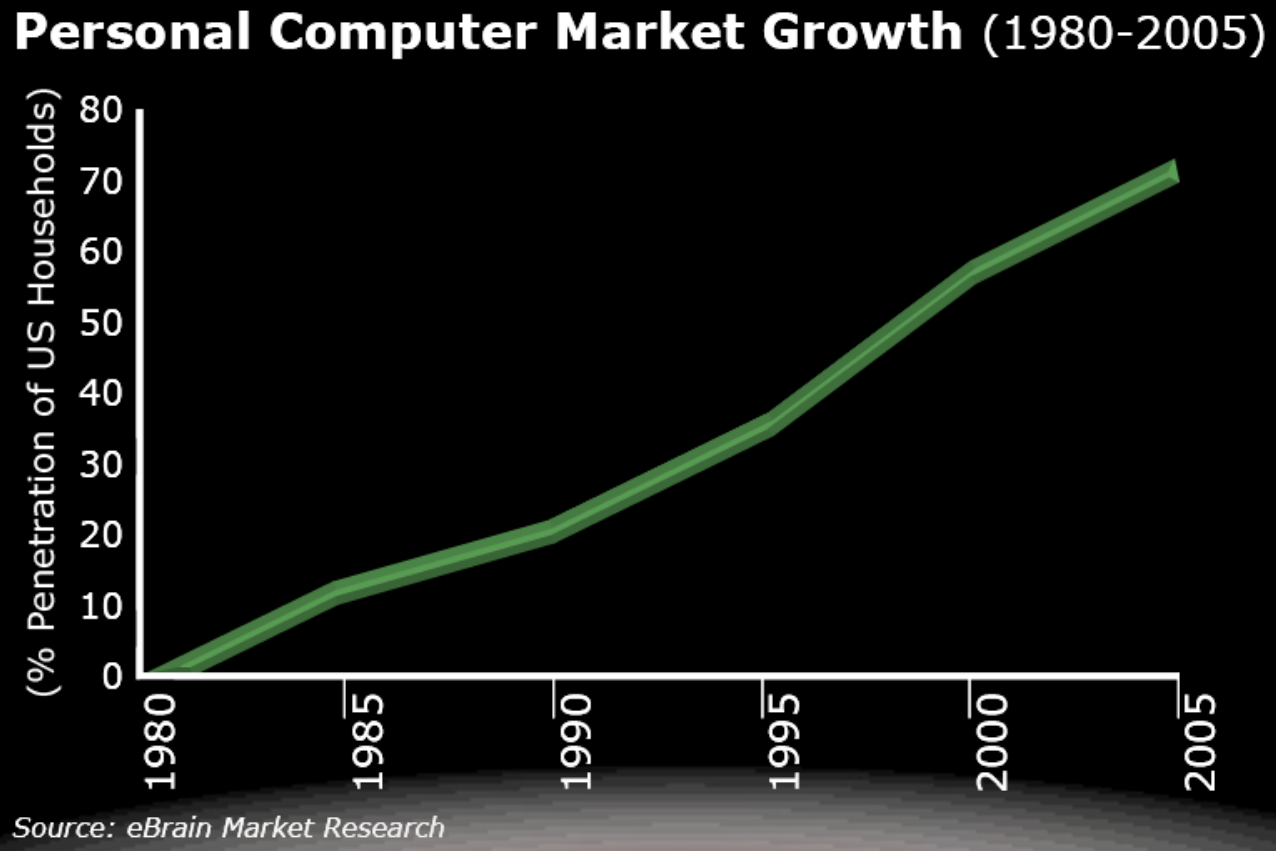




Moore's Law has served us well.

From an Infant Industry, Innovating on a Single Vector

AMD Smarter Choice



Increasing transistor densities fueled the rocket.

To a Mature Industry, Now at a Critical Inflection Point

AMD Smarter Choice

Moore's Law will continue.



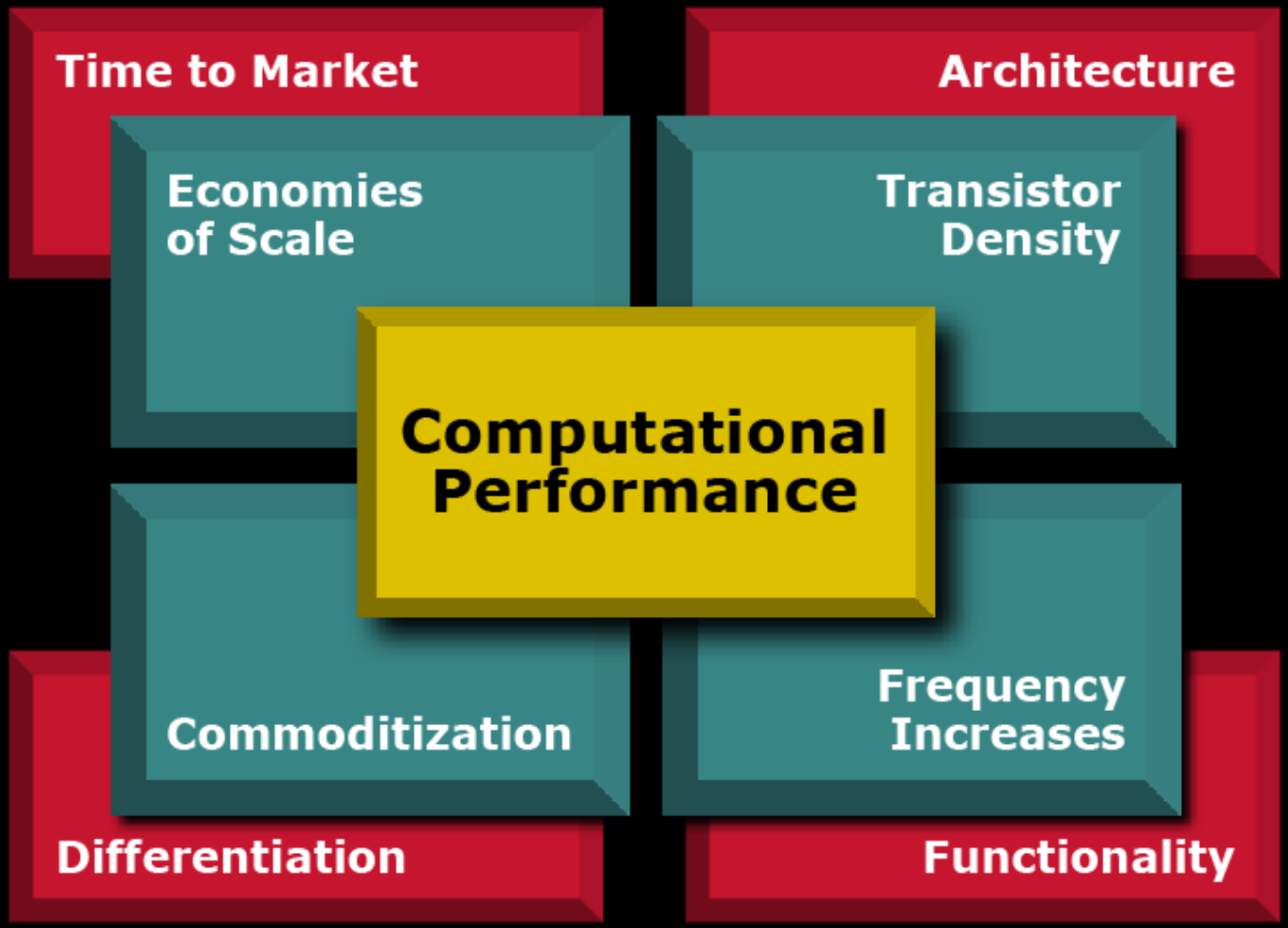




Our reliance upon it as the singular vector of innovation must end.

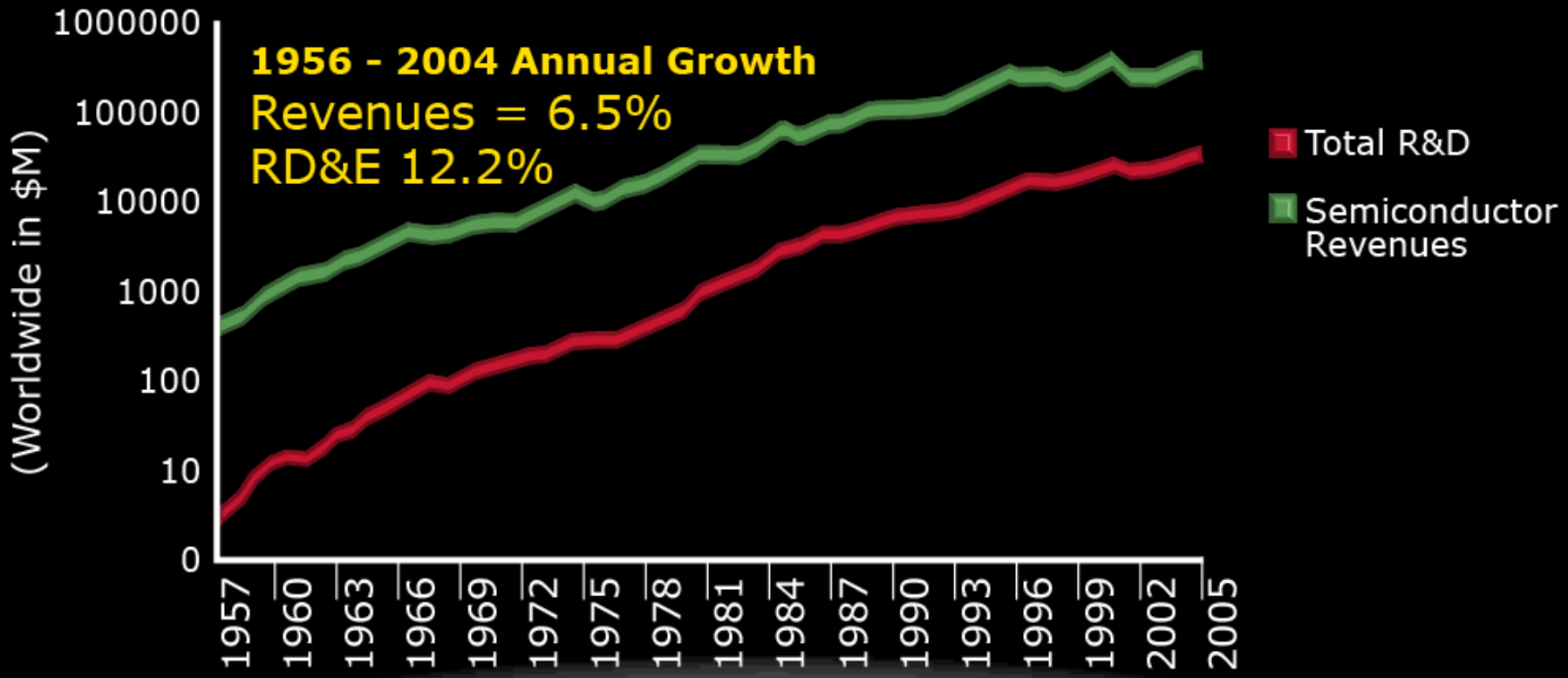
Other Vectors Have Taken a Back Seat for Too Long

AMD Smarter Choice



R&D Costs are Skyrocketing

Chip Making R&D Versus Revenues

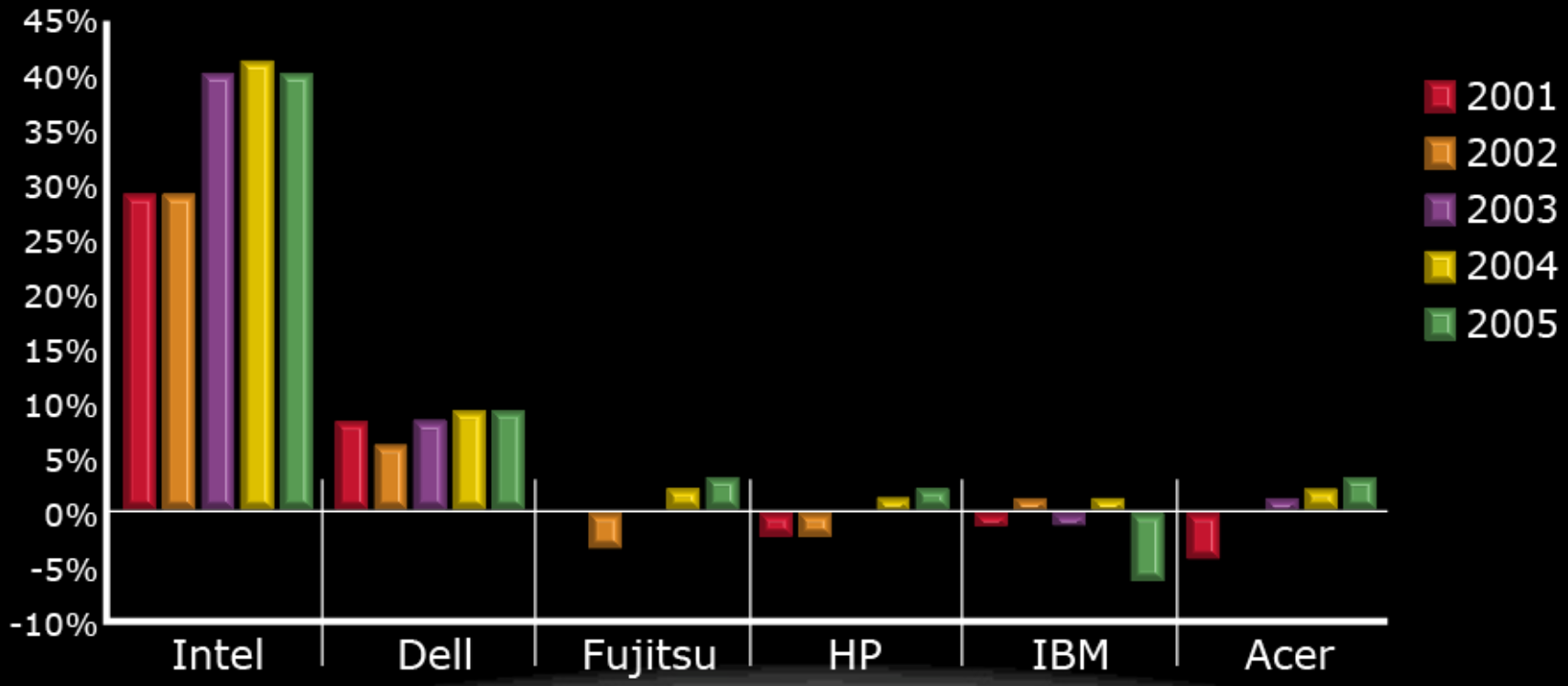


Source: VLSI Research

Increasingly prohibitive cost of entry.

For Most, Margins are Razor Thin

Operating Margins of Select PC Industry Participants



Source: Company 10-Ks

What's wrong with this picture?

What House Paint Can Teach Us About Working Smarter, Not Harder

AMD Smarter Choice

Dutch Boy

DutchBoy®: a clear understanding of end-user needs, true innovation where it matters most.

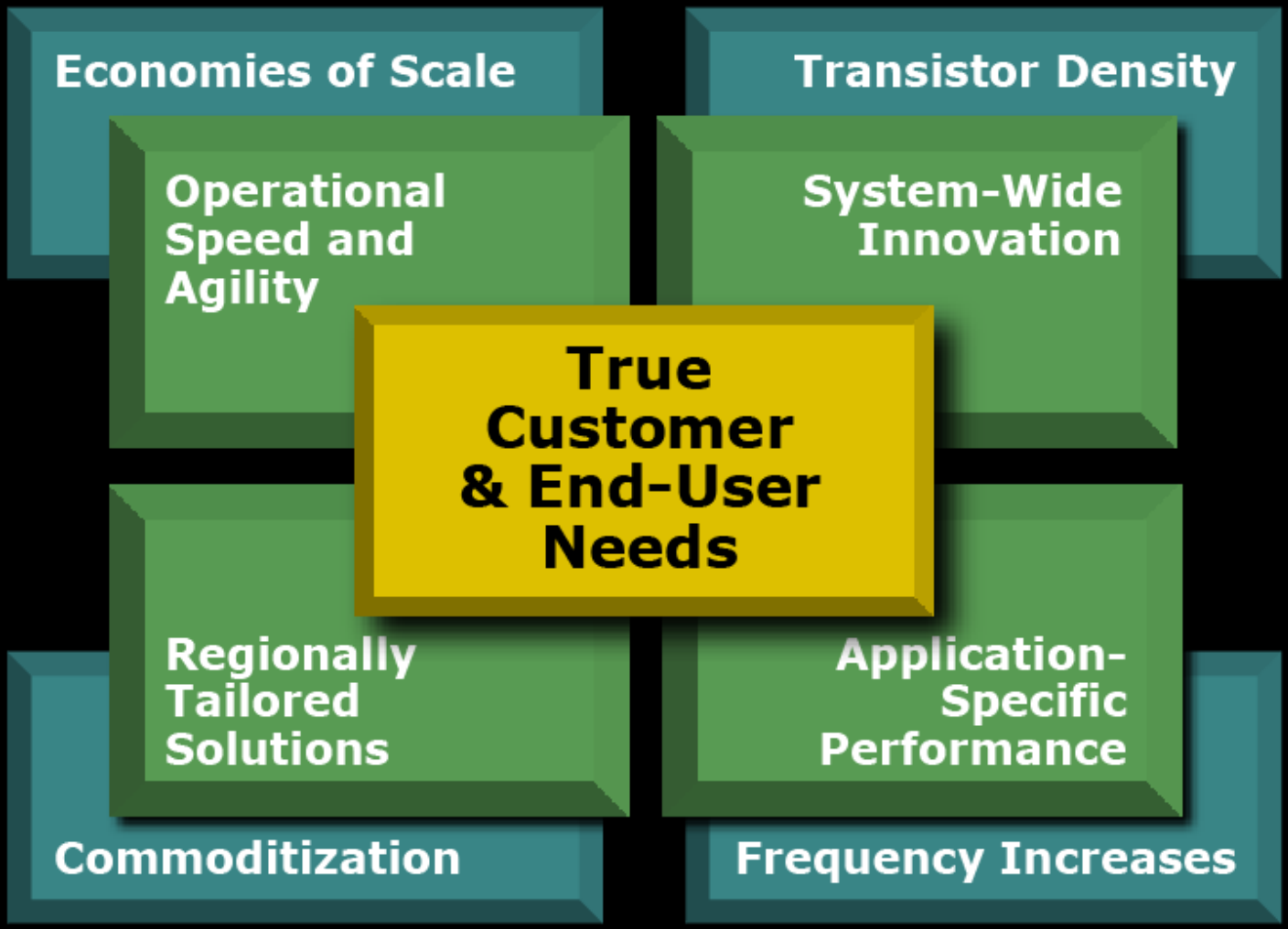




The Innovation of Convenience – Carry, Mix, Open, Paint and Store.

It's Time for Our Industry to Reorient Around the Customer

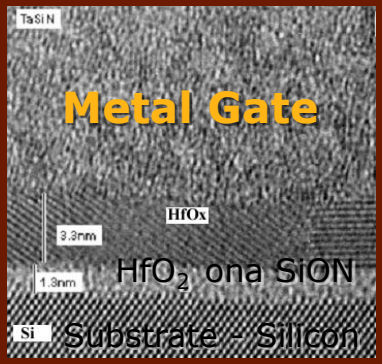
AMD Smarter Choice



AMD Transistor Innovation Continues as Strong as Ever

AMD Smarter Choice

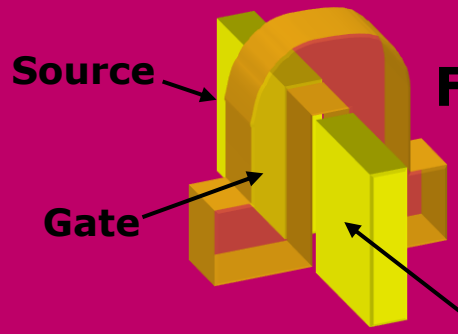
Hi-K w/Metal Gate



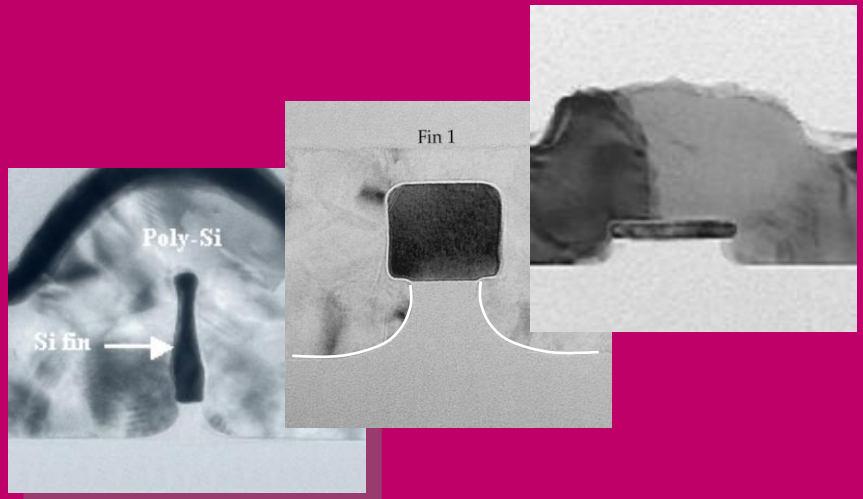
Hybrid Orientation Technology (HOT)

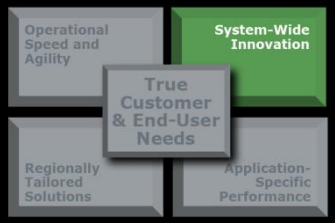


Multi-Gate Transistors



Fin-FET





Customer Value Trends

AMD
Smarter Choice

Customer Value

Power efficiency → System Performance → Perf / Watt

Memory optimizations, Bandwidth, CMP → Sustained Performance

AMD Opteron™ processors

AMD Athlon™ processors

Core Performance (esp GHz)

Power Consumption Issues

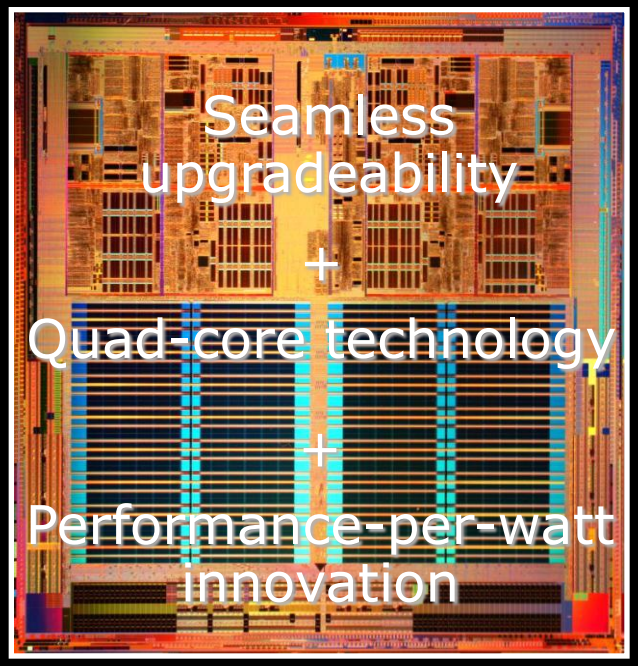
X

Ultra-deep Pipeline

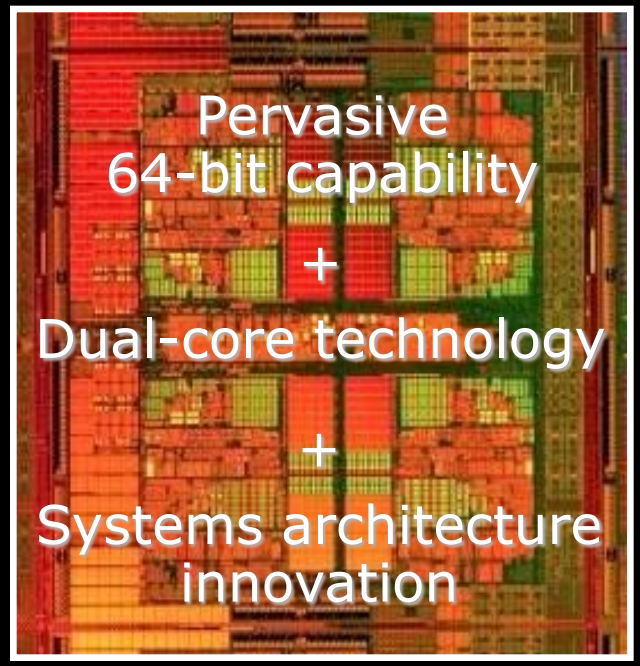
Time

The First Manifestation: A New Kind of Architectural Disruption

AMD Smarter Choice

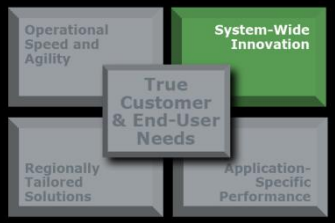


Native Dual Core AMD Opteron™



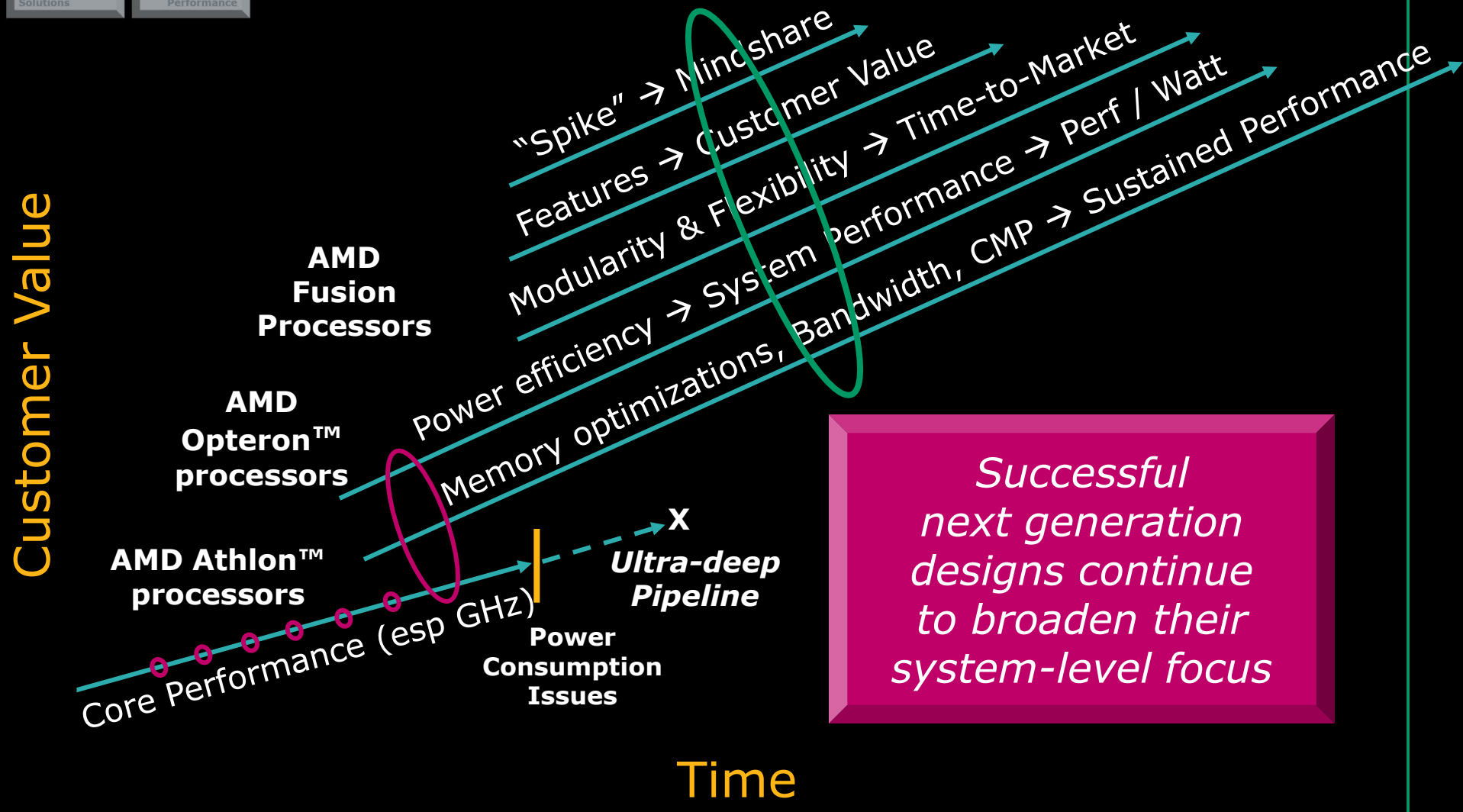
Native Quad Core AMD Opteron™

Proof that disruptive technologies can result in a step function improvement at less cost.



Customer Value Trends

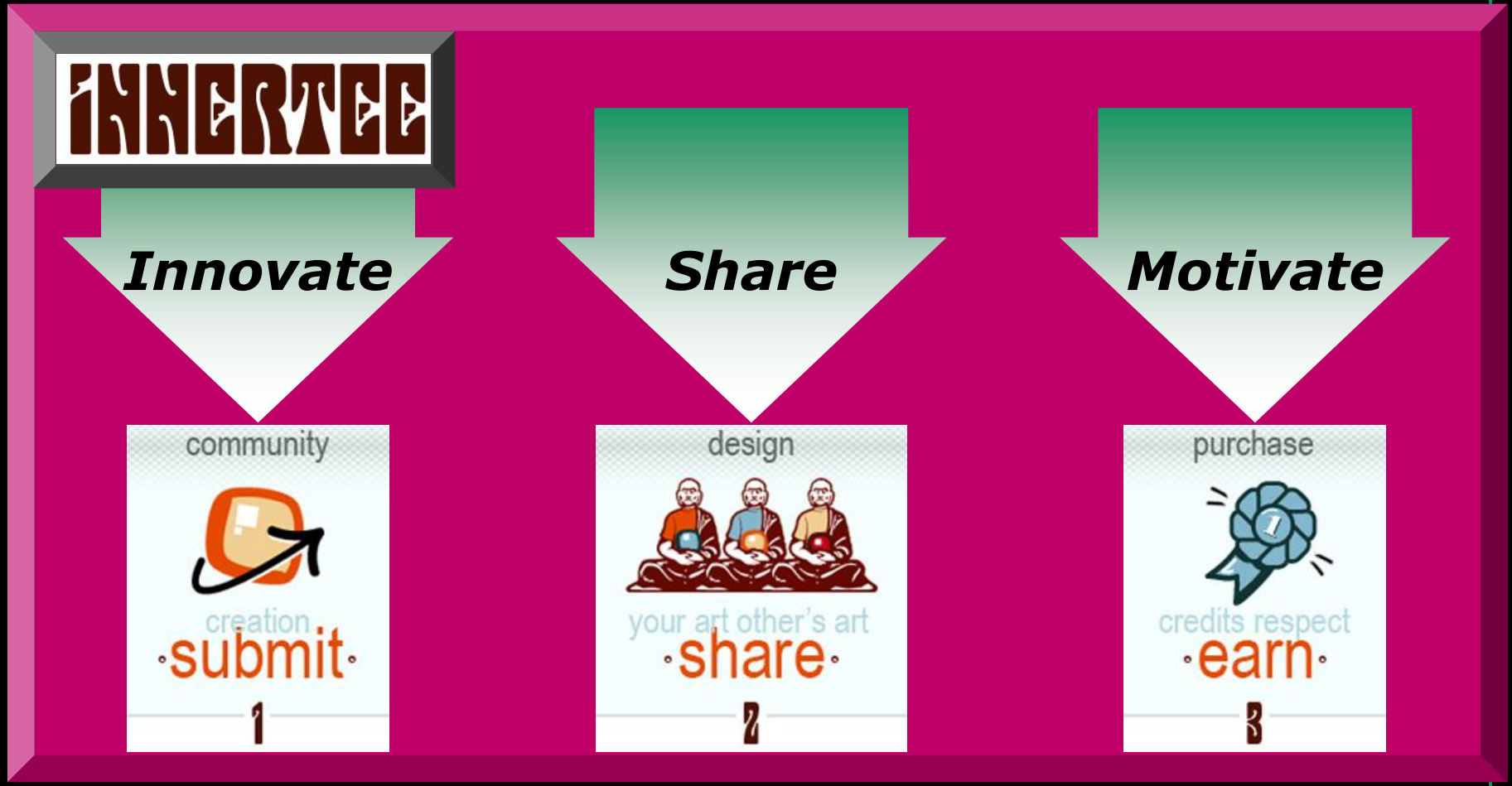
AMD
Smarter Choice



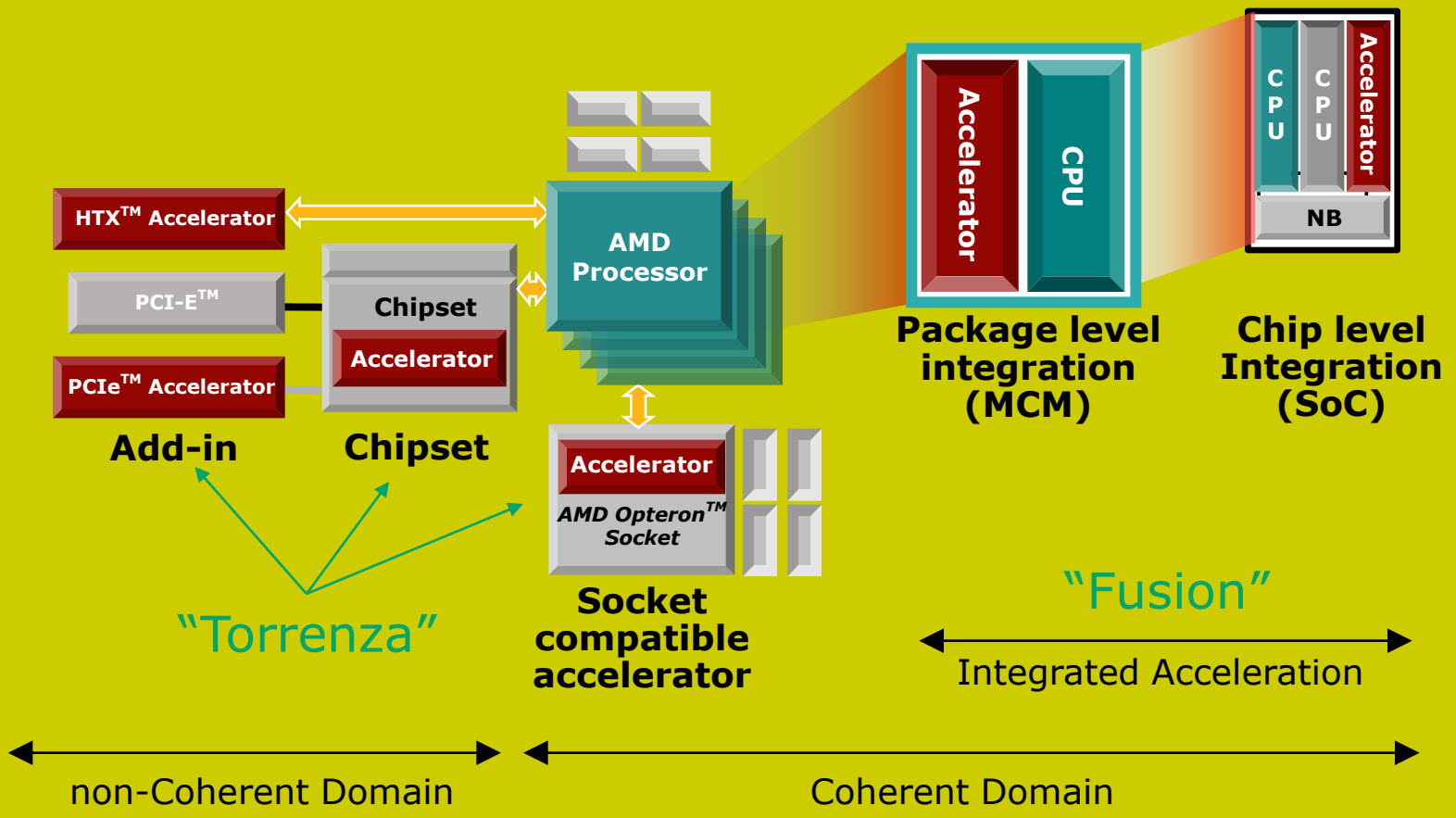
Successful next generation designs continue to broaden their system-level focus

Open Your Mind to a New Way of Thinking about Microprocessors

AMD Smarter Choice



Torrenza & Fusion: Accelerator Adoption Models



Torrenza: Enabling Partners to Build the Most Exciting Solutions in History

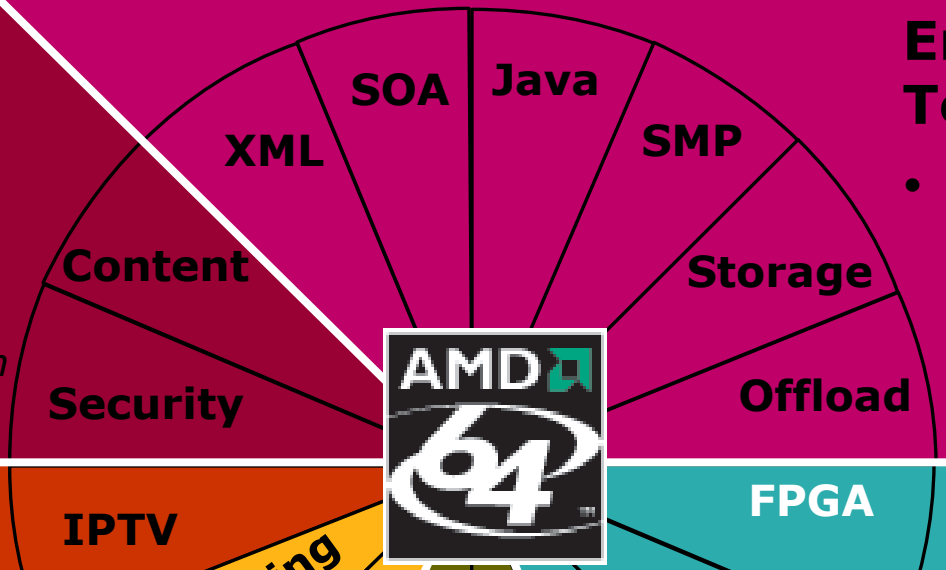
AMD Smarter Choice

Network Processing

- *Established $B market in network platform*
- *Likely migration to server platform*

Enterprise Technologies

- *Identified data center opportunities*

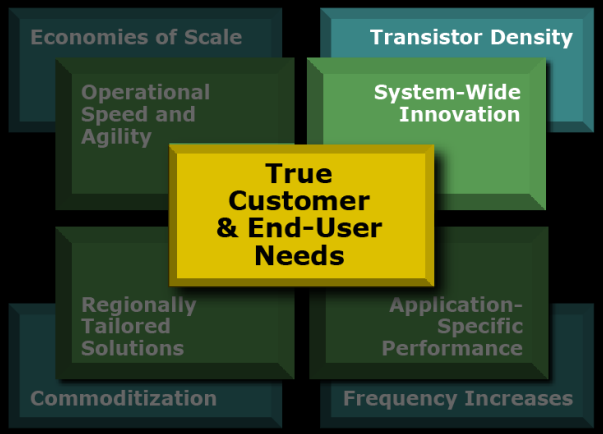


Media

- *Highly competitive market in flux*
- *Known growth opp.*

Enablement

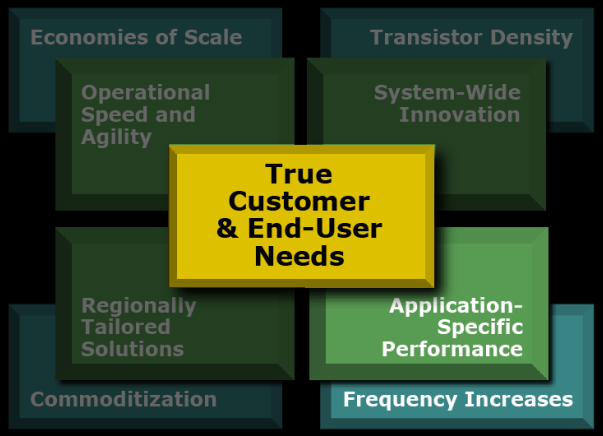
- *Horizontal technology*
- *to open markets*



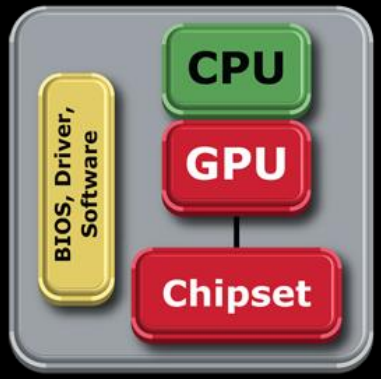
AMD + ATI: The Time is Here to Reorient Around the Customer

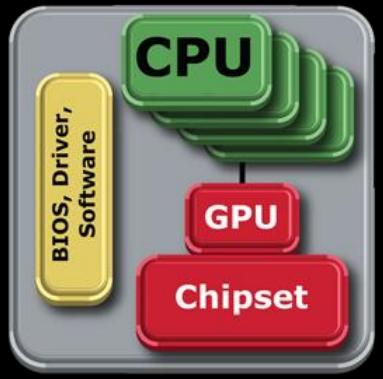
AMD
Smarter Choice

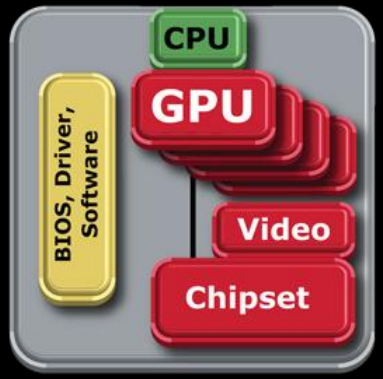


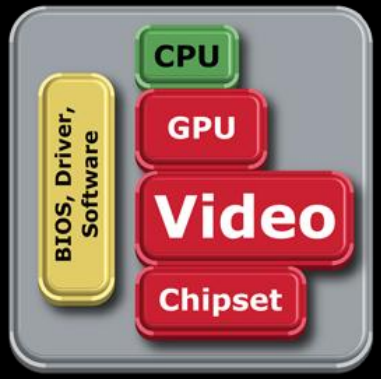


AMD + ATI: The Time is Here to Reorient Around the Customer











Regionally Tailored Solutions are an Untapped Opportunity …

AMD Smarter Choice



The Mission

To enable 50% of the world's population with affordable Internet access and computing capabilities by the year 2015

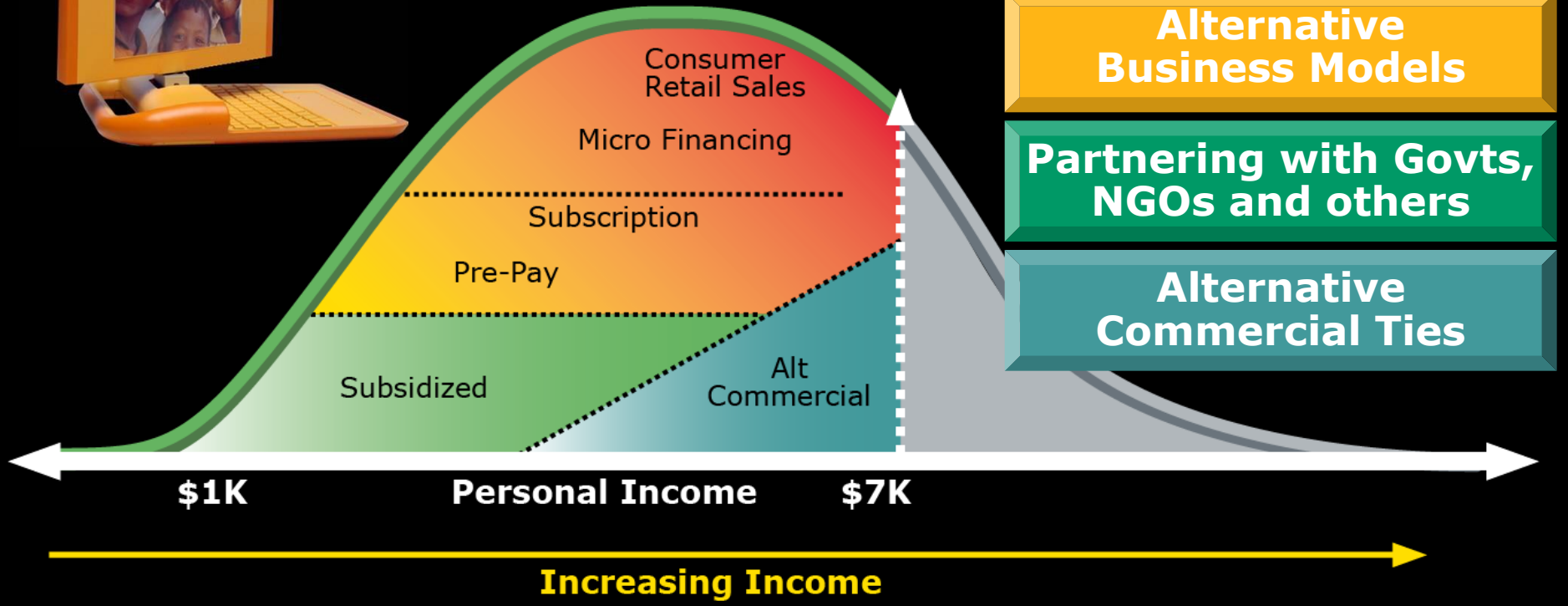
… and one of the next critical growth engines.



A Variety of Different Approaches & Solutions Will Be Required

AMD Smarter Choice





New Device Categories

Alternative Business Models

Partnering with Govts, NGOs and others

Alternative Commercial Ties



The Increasing Importance of Speed & Agility, Measured in Time to Market

AMD Smarter Choice

Product Design Cycle

Time-to-market

Minimal Customer Interaction Throughout Process



Results

- ☒ Late delivery
- ☒ Missing features
- ☒ Problems in development
- ☒ Problems in the field



The Increasing Importance of Speed & Agility, Measured in Time to Market

AMD Smarter Choice

New Product Design Cycle



Time-to-market

Strategies	Processes	Systems
That support customer needs and business growth objectives	That ensure program consistency and quality	That measure performance towards strategy

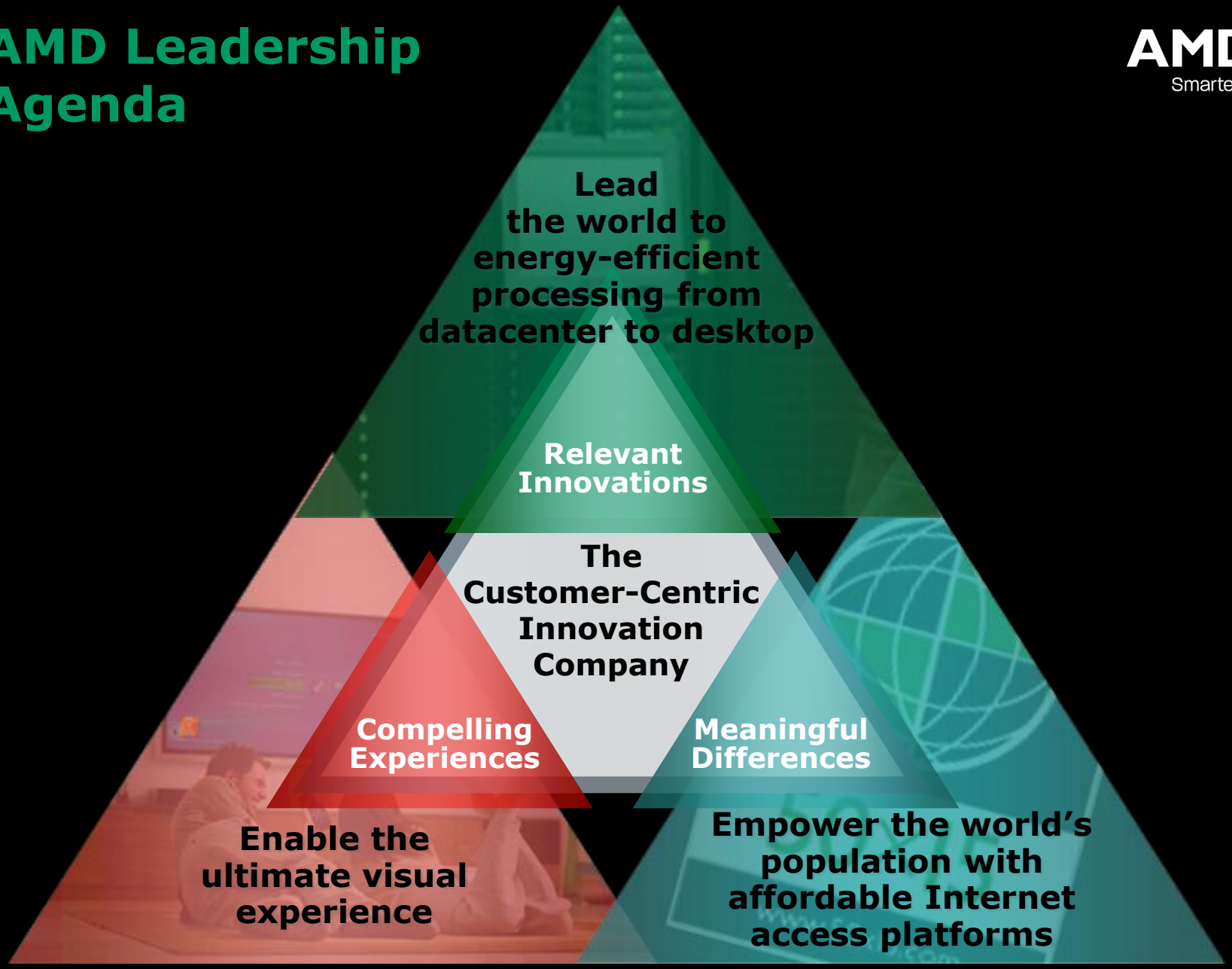
Deep Customer Interaction Throughout Process



Results

- ☑ Deliver on Promise
 - On time
 - Correct features
- ☑ Smooth Development
 - Design guidance
 - Support
- ☑ No post-launch issues

AMD Leadership Agenda



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